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25 November 1975

MEMORANDUM FOR: Mr. Richard Lehman

SUBJECT : Comments on 24 November [REDACTED] Paper STATINTL

STATINTL Set forth below are my preliminary comments on the 24 November paper from [REDACTED] entitled "Review of Background Information." As is evident to any reader, this paper is a mishmash, a jumble of bits and pieces tacked together without much reflection -- in Churchill's phrase, a themeless pudding. My comments are keyed to its various sections, to which I have arbitrarily assigned Roman numerals for easy reference. (These Roman numerals are mine, not the paper's.)

I. Pages 1-9. "A. The Intelligence Community"

The first eight pages warrant little comment, since they are largely a crib from our report and most of the actual prose was originally mine. Page 9 is tacked on and does not seem to me to track very well with what precedes it.

II. Pages 13-26. "B. Summary of Recent Reports"

This section is fairly good though a little confusing, since it speaks of six reports but also discusses (on page 16-17) President Nixon's 5 November 1971 letter. To a reader not already familiar with the subject, the discussion

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of that letter could be confusing since it sounds like a separate report. Furthermore, the memorandum does not make it clear that the letter was one of the fruits of the 1971 Schlesinger Report and the PFIAB Report of that same year, primarily the former.

-- Note the interesting implication of page 13 that the Senate and House Committees will in due course receive all six of the studies discussed. I do not know whether this reflects a policy decision or simply an assumption on the part of the author, which is not yet accurate. To the best of my knowledge, no Congressional committees have yet seen the 1971 Schlesinger Report, the 1971 PFIAB Report or our own study. <sup>P</sup> The checklist is dismal, <sup>The</sup> and capsule summaries of our own recommendations are either inaccurate or unbalanced in the sense that they miss our main points and recapitulate matters we would have considered secondary. For example, we did suggest that the National Security Act needs revision but not (at least primarily) "to prevent abuses." Similarly, we had more to say about producer/consumer dialogue than making the DGI Chairman of the NSCIC and we certainly had a lot more to say about the role of DOD in intelligence than simply recommending a "plan to transfer intelligence assets to DOD control in war." If the other columns in the checklist

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are equally inaccurate, any high-level official reading it (especially one not familiar with the actual documents) will be seriously misled about what those six reports actually covered or recommended.

III. Pages 27-30. (C. Tentative Identification of Issues)

-- Colby, as you probably know, wants a sentence stuck in here calling attention to the price of change and asking the question "Is it worth it?".

My own view is that a paper which tries to be on all sides of every issue produces little but confusion.

As you doubtless recognize, we do have a fundamental philosophical/conceptual difference of opinion on this point of <sup>the</sup> advisability, even necessity, of change.

I think all six of us who worked on our own report were unanimously convinced the change was both necessary <sup>and</sup> inevitable. The DCI is not of that persuasion, however, and his four line deputies are certainly not of this view. They would prefer as little change as possible, and Bill has swung back toward this position quite markedly in the last few weeks.

-- In a list of issues, I would not lead off with those relating to public accountability, ~~and~~ they are certainly important; but to my eye it sets the wrong tone to make them topic A. On the other hand, their positioning clearly reflects the politically oriented

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priorities now in vogue downtown.

-- It is not clear what the eleven entries under Item B are supposed to be: reflections of known areas of Congressional concern or things the author of the paper feels ought to be addressed. Conceptual confusion here will doubtless produce similar confusion in the final product.

-- The entries under Item C (Executive Accountability and Control) are also interesting for what they reveal as well as what they say. The perhaps unconscious emphasis is very much on accountability and very little on efficiency or the kind of control designed to get a better product and a better result. This mind-set can cause us some real problems, since the temptation will be to offer concrete suggestions which are politically palatable in the current climate of public and Congressional opinion even though the proposals, if adopted, might make it extraordinarily difficult for the Intelligence Community to do an effective job over the next two decades.

-- The ten items under D (Organizational Arrangements) are <sup>equally</sup> ~~primarily~~ disturbing. Their language suggests some unexamined premises that ought to be looked at carefully, particularly items 4 and 5. Duplication in some fields -- e.g., competitive analysis -- is essential for substantive

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reasons even though it may look redundant to the budgeteers. Also, item 9 baffles me. I thought this was a non-issue laid to rest more than a decade ago; apparently it is not.

-- The 13 issues under Item E (Management Improvement) are even more of a logical jumble. They are not in any logical order and they are of differing logical types. Item 10 (The DCI's Authority To Fire Employees) looks to my eye as if someone dragged it in by the heels, and I wonder why it needs to be addressed at this time in this form.

IV. Next comes what I presume is supposed to be Tab A -- 12 pages (~~I think~~ a new numbering series) entitled "The Intelligence Community"

-- The five paragraphs under this section's I on Congressional Committees ought to be checked by someone for accuracy, for I am sure not all of its statements are factually correct.

-- The four paragraphs under II (Executive Office of the President) also needs reworking.

-- In the discussion of the NSC no mention is made of the Assistant to the President for National Security Affairs.

-- The discussion suggests the NSC is a corporate body capable of functioning as such. We all know this

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to be a fiction and this is a fiction which should not be perpetuated in a document intended for the President's background reading.

-- The description of the NSC's subcommittees is not accurate, particularly the description of the moribund NSCIC.

-- The discussion of the Intelligence Community in III also needs improvement.

-- No mention is made of the CIA Act of 1949 in discussing the DCI.

-- No mention is made of the three service intelligence agencies in the discussion of USIB or the ASD(I).

-- Something is screwed up on their references to NSCID No. 1: in one place it gives its date as 1958, in another as 1972.

-- The USIB does not work through subcommittees and it is <sup>wrong</sup>~~narrow~~ to suggest that it does.

25X1A      -- The section on the Intelligence Community Staff (paragraph 3 on page 8) needs reworking. It has closer ~~more~~ to a [REDACTED] Sam is a three-star General, and the staff was not expanded to its present size after the Schlesinger 1971 study. Instead, it was expanded after Schlesinger

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became DCI in 1973.

-- I don't like the section on the NIOs and have appended a suggested revision. This revision may be too long; if so, it can be cut at either set of brackets marked thereon.

-- The discussion of the CIA also needs improvement (e.g., the CIA does both overt and covert collection of foreign intelligence in the United States).

-- There are various inaccuracies in the discussion of the Defense Department components. Under the Navy (on page 10), for example, the DAI may technically be an Assistant Chief of Naval Operations but I have never heard of him referred to as such.

-- Similarly, in the section on State (page 11) the Bureau of Intelligence and Research is not headed by an Assistant Secretary, it is headed by a Director with the rank of Assistant Secretary.

V. Tab B.

I have no comments on the "summary" which takes up the bulk of Tab B, save that it should mention the CIA Act of 1949.

VI. I have a lot of trouble with Tab C.

It is very skimpy in its summaries of our own study's recommendations and this skimpiness produces distorting inaccuracies. I suspect it's no better with respect to

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its summaries of the other studies.

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Overall, this report is a very sloppy piece of work in no shape whatsoever to be shown to the President of the United States. It would do far more to confuse him than enlighten him; for it is confusing enough to a reader already ~~very~~ <sup>well</sup> versed on the subject. He would do far better to read our report from beginning to end and would get a far clearer understanding of the basic issues involved from doing so than he will from reading this document in anything like its present form.



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#### 4. National Intelligence Officers

This group of 11 officers working directly for the DCI has a range of responsibilities, including supervision of the preparation of National Intelligence Estimates.

(When created in 1973, it replaced the Board of National Estimates, which had existed in some form since 1950.)

[There is an NIO for each geographic or functional area of major policy concern. Within his or her area, each NIO is the DCI's principal substantive staff officer, responsible for maintaining continual contact with both the producers and consumers of intelligence and for advising the DCI on the effectiveness of the entire Intelligence Community's address to the problems of that area. [The NIO's prepare the DCI's annual list of Key Intelligence Questions and give him his evaluation of the Community's performance on each question after the end of each Fiscal Year.]]

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Can cut after each set of brackets.

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